

ACT/047/002

FACT SHEET ON THE SEEP RIDGE PROJECT

SEEP RIDGE PROJECT - Uintah County, Utah

Geokinetics, Inc. and Gilbert Shale Oil, Inc., a subsidiary of Peter Kiewit Sons', Inc., are sponsoring the Seep Ridge Project to be located south of Vernal, Utah. The Project will produce 1,100 BPCD of crude shale oil utilizing Geokinetics "LOFRECO" in situ extraction technique.

Terms and Conditions of Letter of Intent

<u>SFC Assistance:</u>	Maximum of \$184.34 million in loan and price guarantees.
<u>Amount of Loan Guarantee:</u>	\$63.02 Million
<u>Amount of Initial Price Guarantee:</u>	Initial price guarantee of \$84.81 million to increase as the loan is repaid up to a maximum of \$184.34 million.
<u>Guarantee Price:</u>	\$55 per barrel for crude shale oil escalated using the Producer Price Index.
<u>Duration of Price Guarantee:</u>	10 Years
<u>Taxpayer Recovery:</u>	For a period of 15 years after the Cutoff Date,* the project shall make payments either as a pro rata prepayment of guaranteed debt and of the bank loan or, after such debt is paid, as profit sharing in an amount equal to 75% of Cumulative After Tax Cash Flow in excess of \$33 million.

* The earlier of the last day of a 30-day period during which at least 20,000 barrels of Product are produced or December 31, 1988.